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PARTIAL ASSIGNMENT

THE STATE OF ALABAMA)(
)(KNOW ALL MEN BY THESE PRESENTS:
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THAT for and in consideration of the sum of ONE HUNDRED DOLLARS (\$100.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, McKenzie Methane Corporation, a Texas Corporation, whose address is 7880 San Felipe, Suite 100, Houston, Texas 77063 (hereinafter called "Assignor", whether one or more) has BARGAINED, GRANTED, SOLD, TRANSFERRED, ASSIGNED AND CONVEYED and does by these presents BARGAIN, GRANT, SELL, TRANSFER, ASSIGN AND CONVEY unto the parties set forth below (hereinafter called "Assignee", whether one or more), the undivided interests set forth below in and to the leases described on Exhibit "A" attached hereto and made a part hereof and any amendments thereto and ratifications thereof (hereinafter referred to as "said Lease", whether one or more), insofar and only insofar as said Lease covers the lands described in said Exhibit "A" (hereinafter referred to as "said Lands") together with like undivided interest in the wells and all personal property and equipment situated on said Lands and attributable to said Lease, or used or obtained in connection therewith.

<u>Assignee</u>	<u>Undivided Interest</u>
SG Methane Company, a Texas Joint Venture 811 Dallas, Suite 1505 Houston, Texas 77005	1/3
The Northwestern Mutual Life Insurance Company, a Wisconsin Corporation, 720 East Wisconsin Avenue Milwaukee, WI 53202	1/5
Smith Gordy Methane Company, a Texas Joint Venture 811 Dallas, Suite 1505 Houston, Texas 77005	7/100

The interest herein assigned are subject to their proportionate share of the royalties, overriding royalties and other burdens against said Lease as of the effective date hereof and the terms, conditions, obligations, and provisions set forth in said Lease. The interests herein assigned are further subject to the provisions of any and all agreements binding on Assignor and the respective Assignee to the extent that the same burden the undivided interest herein assigned to such Assignee and are valid and existing on the effective date hereof, including but not limited to participation agreements, development agreements, operating agreements, gas sales contracts and unitization agreements, and any amendments thereto.

Reference is here made to said Exhibit "A", to all of the instruments and records mentioned or referred to therein or herein and to all of those mentioned in all of said instruments for all purposes in connection herewith.

Assignor hereby binds and obligates itself and its successors and assigns to Warrant and Forever defend title to the respective interest set forth above unto Assignee, their respective successors and assigns, against every person or entity whomsoever claiming or to claim the same or any portion thereof by, through or under Assignor, but not otherwise, subject to the burdens against said Lease and the agreements to which this Partial Assignment is expressly made subject, but with full subrogation and substitution to all covenants and warranties by others heretofore given or made with respect to said Lease or any part thereof or interest therein.

This Partial Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this instrument this lst day of August, 1991 and same shall be effective the sooner of the date hereof or as of the date of the first production from any well situated on said Lands.

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	ASSIGNOR:
WITNESSES:	MCKENZIE METHANE CORPORATION
	and the
Troses divailes	BY: WWW WV
· _ (ow to feel	Michael McKenzie, President
	,
	ASSIGNEE:
	SG METHANE COMPANY
1-1400	SG METHANE COMPANY
sharpen & tollare	BY:
Silve Sitta	Russell Gordy, Managing Partner
	MARTINIERTERN MUTUAL LIET
APPROVED	THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY
Alica / Sugar	
The Cale May 180, Dept.	BY: Wash och
1 Duration of the Compile	A. KIDD KOESTET Vice President
1	T in the manage
1	CHITTLE CODDY METUANE COMPANY
Λ Δ	SMITH-GORDY METHANE COMPANY
masul Warm	04 /1 /1 / / /
	BY: Russell Gordy, Managing Partner
T. ASTICKET	
· STATE OF TEXAS)	
· · · · · · · · · · · · · · · · · · ·	
COUNTY OF HARRIS)	
State, hereby certify that Mich McKenzie Methane Corporation, a Terminal Assignment, and who is known that, being informed of the contermed and with full authority, executed said corporation on the date the	ry Public in and for said County, in said ael McKenzie, whose name as President of exas corporation, is signed to the foregoing own to me, acknowledged before me on this day ents of said Assignment, he, as such officer the same voluntarily for and as the act of same bears date.
said corporation on the date the s	official seal this the 12th day of
Novembe (, 1991.	
TOMANE NELSON	Notary Public
Notary Public	Notary Public
STATE OF TEXAS	My Commission Expires:
STATE OF TEXAS)	
STATE OF TEXAS)	
COUNTY OF HARRIS)	
"State, hereby certify that Russel SG Methane Company, a Texas Join's Assignment, and who is known to being informed of the contents Partner and with full authority, the same bears date.	ary Public in and for said County, in said 1 D. Gordy, whose name as Managing Partner of Venture, is signed to the foregoing Partial me, acknowledged before me on this day that, of said Assignment, he, as such Managing executed the same voluntarily for on the date
Given under my hand and	d official seal this the 25th day of
	~ ~ ~ · 1.
₩eeseseseseseseseseseseseses	Susan O. Eisenbry Notary Public
SUSAN D. EISENBREY	Notary Public // '
ULCZ	V
MY COMMISSION EXPIRES	My Commission Expires:
	V

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COUNTY OF MILWAUKEE)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that have Notated as vice President of The Northwestern Mutual Life Insurance Company, a Wisconsin Corporation, is signed to the foregoing Partial Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he, as such officer and with full authority, executed the same voluntarily for on the date the same bears date.

Given under my hand and official seal this the $\frac{25 \text{ Hz}}{4}$ day of November, 1991.

Notary Public

My Commission Expires: is permanent

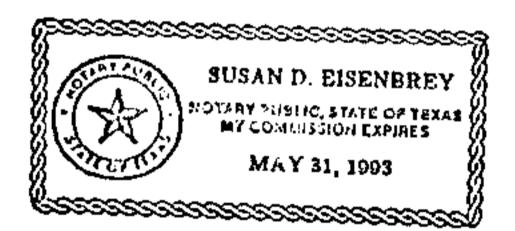
STATE OF TEXAS)

(COUNTY OF HARRIS)

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I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Russell D. Gordy, whose name as Managing Partner of Smith-Gordy Methane Company, a Texas Joint Venture, is signed to the foregoing Partial Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he, as such Managing Partner and with full authority, executed the same voluntarily for on the date the same bears date.

Given under my hand and official seal this the 25 m day of 1991.



Susan D. Eisenbrey, Notary Public

My Commission Expires:____

sm/land/assignment/sg/pa-al2.637

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EXHIBIT "A"

Attached to and made a part of Partial Assignment dated August 1, 1991, between McKenzie Methane Corporation, as Assignor, and SG Methane Company, et al, as Assignee.

CAHABA AREA

Coalbed Methane Gas Lease dated June 1, 1989, between <u>SOUTHERN ELECTRIC GENER-ATING COMPANY AND KIMBERLY-CLARK CORPORATION</u>, as Lesser and <u>MCKENZIE METHANE</u> <u>CORPORATION</u>, as Lessee, recorded by a Memorandum of Lease dated June 1, 1989, in Book 254, Page 568 in the Office of the Judge of Probate of Shelby County, Alabama. (AL2 013)

INSOFAR AND ONLY INSOFAR as the acreage described in the above leases is included in the tracts described below.

Each of said tracts are located in Shelby County, Alabama and cover 80 acres unless otherwise indicated.

Township 24 North - Range 11 East

Section 2

TRACT 1 - (AL2 1744) W/2 of SW/4

TRACT 2 - (AL2 1794) W/2 of SE/4

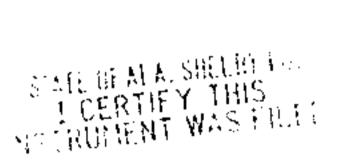
TRACT 3 - (AL2 1777) E/2 of SE/4

THIS INSTRUMENT WAS PREPARED BY:

Lois W. Kidd

7880 San Felipe, Suite 100 Houston, Texas 77063

800K 374PAGE 892



1. Deed Tax
2. Mtg. Tax
3. Recording Fee SD.00
4. Indexing Fee SD.00
5. No Tax Fee 6. Certified Fee SD.00
Total

200

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sm/land/assign/sg/ex-al2.637 (AL2 637)

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